

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

September 28, 2000

IN RE:)	
)	
COMPLAINT OF DISCOUNT)	DOCKET NO. 00-00230
COMMUNICATIONS, INC.)	
AGAINST BELL SOUTH)	
TELECOMMUNICATIONS, INC.)	

ORDER

This matter comes before the Tennessee Regulatory Authority ("Authority") upon the filing by Discount Communications, Inc. ("Discount") of a formal letter of complaint against BellSouth Telecommunications, Inc. ("BellSouth"). In its letter filed on March 16, 2000, Discount stated that BellSouth had discontinued Discount's access to the LENS system¹ due to a billing dispute. Discount requested a hearing and additionally requested that BellSouth restore access to the LENS system pending a resolution of the dispute.

At a Status Conference immediately following the regularly scheduled Authority Conference held on March 28, 2000, the Directors appointed General Counsel to serve as Pre-Hearing Officer to resolve any pre-hearing disputes, including any failure to comply with the Compromise Agreement entered into by the parties at that Status Conference. At a second Status conference held on April 5, 2000, the Pre-Hearing Officer considered BellSouth's Motion to

¹ The LENS system allows Discount to place orders for service, verify orders, amend/correct orders, suspend/disconnect non-paying customers, examine local service records, examine customer service records and transfer existing customers.

Compel Disclosure or, in the Alternative, to Find Discount Communications in Violation of the Compromise Agreement, which was filed earlier that day. During the second Status Conference, BellSouth's Motion was denied based upon the agreement of the parties that the law firm of Boulton, Cummings, Conners & Berry would act as interim escrow agent for receipt of payments by Discount.

On April 4, 2000, the Consumer Advocate Division of the Office of the Attorney General ("Consumer Advocate") filed a Petition for Information. In its Petition, the Consumer Advocate stated that the requested information was necessary to determine whether intervention by the Consumer Advocate was warranted to represent the interests of Tennessee consumers. On April 11, 2000, the Consumer Advocate filed a Petition to Intervene in this docket. A hearing commenced on this matter on April 11, 2000, and the Consumer Advocate's Petition to Intervene was granted at the beginning of the hearing.

Issues Before the Authority

Discount filed a list of preliminary issues on March 31, 2000 for the Authority's consideration. The issues presented were:

1. Whether BellSouth has properly charged, and may continue to charge, Discount Communications for directory assistance.
2. Whether BellSouth has properly credited Discount Communications for providing service to Lifeline customers and how BellSouth will provide such credits in the future.
3. Whether BellSouth has properly credited Discount Communications for providing service to Link-Up customers and how BellSouth will provide such credits in the future.
4. Whether BellSouth has engaged in a pattern of anti-competitive activity toward Discount Communications, as evidenced by the three matters described above and by other incidents of anti-competitive behavior.

The merits of Issue No. 3 were not considered by the Authority because the parties stated in their prehearing briefs that the Link-Up dispute was presented to the Federal Communications Commission's ("FCC") Staff, and that the issue would not be presented to the Authority until the

FCC had made its ruling.² Also, the parties announced at the hearing that the Link-Up issue had been settled with respect to prior amounts in dispute.³

With respect to Issue No. 4, Discount alleged that in addition to BellSouth's actions regarding directory assistance, Lifeline and Link-Up, BellSouth had engaged in "other similar, anti-competitive acts," and that evidence regarding these claims would be presented at the hearing.⁴ BellSouth moved to strike the anti-competitive activity issue on the ground that Discount is "attempt[ing] to dredge vague and unspecified allegations of 'other incidents of anti-competitive behavior' into an expedited hearing to resolve what very plainly are – and for months have been – billing disputes."⁵ At the outset of the hearing, BellSouth's request was held in abeyance.⁶ As the hearing proceeded, BellSouth continued to object to the admission of evidence regarding "other acts" of BellSouth that were not directly related to the directory assistance, Lifeline, and Link-Up billing issues.⁷ Discount responded that such evidence was necessary to negate the implication that Discount does not pay its bills, and that such evidence addresses the "unspoken" issue of whether Discount had attempted to use the regulatory process to evade paying its bills.⁸

In light of the fact that the parties had elected not to submit pre-filed testimony and since BellSouth could test the trustworthiness of "other acts" evidence on cross-examination, the Chair ruled that the evidence could be admitted and that the Directors could give this evidence due weight and consideration.⁹ Discount's counsel acknowledged that issues raised by the "other acts" evidence are not before the Authority in this proceeding, and that Discount is "simply

² Discount Prehearing Brief at 2 and BellSouth Prehearing Reply Brief at 2, FN 1.

³ Hearing Transcript, Volume II at 185-188.

⁴ Discount Prehearing Brief at 10.

⁵ BellSouth Response and Motion to Strike at 1, 4-5.

⁶ Hearing Transcript, Volume I at 5.

⁷ See Hearing Transcript, Volume II at 189, 231, and 244.

⁸ Hearing Transcript, Volume II at 232-233.

⁹ Hearing Transcript, Volume II at 195 and 232.

asking this agency to rule on the disputed issues of directory assistance and Lifeline.”¹⁰ Based on these conclusions, only Issue Nos. 1 and 2 were presented to the Authority for consideration.

Positions of the Parties

Issue No. 1

Regarding Issue No. 1, Discount argued that the price of directory assistance is fixed by the resale agreement between Discount and BellSouth. Discount specifically relied upon language in the contract stating that:

The Wholesale Discount is set as a percentage off tariffed rates. If OLEC [Discount Communications] provides is [sic] own operator services and directory services, the discount shall be 21.56%. These rates are effective as of the Tennessee Regulatory Authority’s Order in Tennessee Docket No. 90-01331 [sic] dated January 17, 1997.¹¹

Discount’s President, Edward Hayes, testified that he interpreted the above quoted language as meaning “that directory assistance is included in the 16 percent that we’re already paying for access to directory assistance in the directory usage.”¹² Discount maintained that the resale agreement provided them with a choice of wholesale rate discounts. If the 16% discount option was chosen, BellSouth must provide operator services and directory services at no additional cost to Discount. If the 21.56% discount option was chosen, Discount must provide its own operator services and directory services. Discount chose the 16% discount option. Thus, Discount accepted the lower discount with the understanding that BellSouth would provide directory assistance service without assessing any additional charges.

Discount also stated that it proposed an option to BellSouth to block access to directory assistance services after six (6) calls, but that BellSouth stated that this option was not feasible.¹³

¹⁰ Hearing Transcript, Volume II at 287.

¹¹ Resale Agreement, Exhibit A, Applicable Discounts

¹² Hearing Transcript, Volume II at 250-251.

¹³ Hearing Transcript, Volume II at 252.

According to Discount, BellSouth proffered that it could block access to directory assistance and toll services for a \$23.50 charge per customer.¹⁴ Discount asserted that the FCC's Lifeline regulations require that Lifeline subscribers be provided with access to directory assistance and toll services and that Discount was continuing to investigate the possibility of a blocking option that would alleviate the billing dispute without violating Lifeline regulations.¹⁵

Finally, Discount maintained that the LENS system did not provide a method to process waivers for those consumers who are exempt from directory assistance charges.¹⁶ During the Hearing, Discount claimed that it had never charged any of its customers for directory services,¹⁷ but that it had no effective means to escape BellSouth's billing of directory charges for Discount's customers who qualify for free directory services.

Regarding Issue No. 1, BellSouth claimed that the resale agreement required Discount to pay for directory services. Specifically, BellSouth relied upon the contract provision that states:

The rates pursuant by [sic] which Discount Communications is to purchase resale services from BellSouth for resale shall be at a discount rate off the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference. Such discount shall reflect the costs avoided by BellSouth when sell[ing] a service for wholesale purposes.¹⁸

BellSouth maintained that the 16% discount rate selected by Discount is a set percentage off the tariffed rates as required by federal law and the Authority's Final Order in the avoidable cost proceeding (Docket No. 96-01331). BellSouth also asserted that at the time the resale agreement was executed in March 1998, directory assistance services were classified by the Authority as a non-basic service based on its approval of United Telephone Southeast's directory assistance

¹⁴ Hearing Transcript, Volume II at 253.

¹⁵ Hearing Transcript, Volume II at 253-255.

¹⁶ Hearing Transcript, Volume II at 266-267.

¹⁷ Hearing Transcript, Volume II at 267.

¹⁸ Resale Agreement, Section I.C.

tariff in Docket No. 96-01423. BellSouth averred that, under the terms of the resale agreement, Discount agreed to pay BellSouth the tariffed rate for the directory assistance services being resold less the applicable 16% wholesale discount.

BellSouth maintained that the parties did not intend to include directory assistance when the resale agreement was executed simply by agreeing to the 16% discount rate. In support of its position, BellSouth pointed out that Discount did not initially challenge the directory assistance charges on those contractual grounds, but only requested the blocking of directory assistance services. BellSouth proffered that in spite of the billing dispute regarding directory assistance, Discount entered into another resale agreement with BellSouth in February 2000 containing substantially similar terms with respect to directory assistance services.

In response to Discount's request to block access to directory assistance once the end user's six (6) call allowance has been made, BellSouth stated that it does not currently provide this blocking option. Additionally, BellSouth maintained that there was an application process for directory assistance exemptions. Discount asserted that it had not received any information about such a process from its BellSouth account team.¹⁹

Issue No. 2

Lifeline subscribers in Tennessee are eligible for a maximum of \$10.50 in assistance, which consists of a \$7.00 federal credit funded through National Exchange Carrier Association ("NECA"),²⁰ and a matching \$3.50 state credit funded by the intrastate carrier. Currently, BellSouth passes through the \$7.00 federal credit to Discount, but does not pass through the \$3.50 state credit. Thus, the amount in Lifeline credit in dispute involves only the \$3.50 state credit.

¹⁹ Hearing Transcript, Volume II at 314.

²⁰ NECA is an organization created by the FCC to administer the FCC's access charge plan.

Discount claimed that the Federal Telecommunications Act,²¹ FCC rules,²² and FCC orders²³ require BellSouth to pass through both the federal and state Lifeline credits. According to Discount, these federal authorities mandate that BellSouth resell its local service for Lifeline customers at the same rate that BellSouth charges its own Lifeline customers, less avoidable costs. Discount takes the position that Lifeline service is a retail telecommunications service offering that is subject to federal resale obligations. Under Discount's theory and methodology, BellSouth must reduce the base rate for local service by both the federal and state credit to obtain the retail rate for Lifeline service, which would then be resold at the 16% wholesale discount.²⁴

Discount also asserted that BellSouth's reselling of Lifeline service was not competitively neutral if the state Lifeline credit is not deducted.²⁵ To demonstrate this point, Discount proffered that BellSouth charges its own end users \$6.15 for Lifeline service (access line, touch-tone, and SLC), but it charges \$7.55 for Lifeline service that is resold to Discount.²⁶ Thus, Discount claimed that BellSouth's current practice was unjust since it "retains" the state Lifeline credit. To support its position, Discount argued that the rates that were set in the 1993 BellSouth earnings review included an implicit subsidy for Lifeline support.²⁷ Discount further maintains that the implicit subsidy is included today's rates because the rates set in 1993 were

²¹ 47 U.S.C. § 251(c)(4) provides: [Each incumbent local exchange carrier has] the duty to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carrier.

²² 47 C.F.R. § 51.607 provides: The wholesale rate that an incumbent LEC may charge for a telecommunications service provided for resale to other telecommunications carriers shall equal the incumbent LEC's existing retail rate for the telecommunications service, less avoided retail costs, as described in § 51.609.

²³ FCC 97-157, Universal Service Order, paragraph 370, provides: We further observe that, contrary to the fears of some commenters, a large class of carriers will not be eligible to receive universal service support - those providing service purely by reselling another carrier's services purchased on a wholesale basis pursuant to section 251(c)(4) - will nevertheless be able to offer Lifeline service. The *Local Competition Order* provides that all retail services, including below-cost and residential services, are subject to wholesale rate obligations under section 251(c)(4). Resellers therefore could obtain Lifeline service at wholesale rates that include the Lifeline support amounts and can pass these discounts through to qualifying low-income consumers. We are hopeful that states will take the steps required to ensure that low-income consumers can receive Lifeline service from resellers. (Citations omitted.)

²⁴ Hearing Transcript, Volume I at 140-143.

²⁵ Hearing Transcript, Volume I at 144.

²⁶ See Hearing Exhibit No. 10.

²⁷ Hearing Transcript, Volume I at 139.

the same rates in effect June 6, 1995, and that under BellSouth's price regulation plan, these rates have continued to remain in effect.²⁸ Since today's rates include an implicit subsidy to fund the state's Lifeline program, Discount asserted that BellSouth unfairly benefits when it resells Lifeline service because BellSouth does not pass through the state credit amount. Discount maintained that BellSouth collects the \$3.50 state credit amount twice – once from Discount, because the state Lifeline credit is not flowed through, and once again through an implicit subsidy built into its current rates. Therefore, Discount concluded that the BellSouth Lifeline tariff is not competitively neutral.

Regarding Issue No. 2, BellSouth claimed that the federal authorities referred to by Discount do not require any specific treatment of the state Lifeline credit when Lifeline services are resold. BellSouth cited Paragraph 361 of the FCC's Universal Service Order (FCC 97-157), which states:

The Joint Board observed that many states currently generate their matching funds through the state-regulation process. These states allow incumbent LECs to recover the revenue the carriers lose from charging Lifeline customers less by charging other subscribers more. Florida PSC points out that this method of generating Lifeline support from the intrastate jurisdiction would result in some carriers (i.e., ILECs) bearing an unreasonable share of the program's costs. We see no reason at this time to intrude in the first instance on states' decisions about how to generate intrastate support for Lifeline. We do not currently prescribe the methods states must use to generate intrastate Lifeline support, nor does this Order contain any such prescriptions. Many methods exist, including competitively neutral surcharges on all carriers or the use of general revenues, that would not place the burden on any single group of carriers. We note, however, that states must meet the requirements of section 254(e) in providing equitable and non-discriminatory support for state universal service support mechanisms. (Citations omitted.)

²⁸ Hearing Transcript, Volume I at 139.

BellSouth asserted that the controlling authority on the treatment of state Lifeline credits for resellers is the Authority's First Order of Arbitration Awards in the BellSouth/AT&T and BellSouth/MCI arbitration proceedings, Docket Nos. 96-01152 and 96-01271, respectively. Specifically, BellSouth claimed that paragraph 9.c.²⁹ of that Order requires resellers to provide a state credit to its Lifeline customers that is at least equal to the state credit that BellSouth provides to its Lifeline customers.³⁰ BellSouth also claimed that paragraph 9.g.³¹ initially required resellers to seek the federal Lifeline credit from NECA. However, BellSouth subsequently changed its Lifeline tariff to provide for the flow through of the federal Lifeline credit to resellers when the Authority informed BellSouth that the procedure set out in paragraph 9.g. was inconsistent with the FCC's Universal Service Order, issued approximately six months after the Authority's arbitration order was entered.³² According to BellSouth, the current Lifeline tariff, as amended, cured any inconsistency between federal and state requirements for resale of Lifeline service.

Findings of Fact and Conclusions of Law

At a regularly scheduled Authority Conference held on June 6, 2000, the Directors heard oral argument from the parties in this matter. Following oral argument, the Directors deliberated and announced their decisions regarding Issue Nos. 1 and 2.

On Issue No. 1, the Directors determined, based upon the record in this matter, that pursuant to the resale agreement between BellSouth and Discount, that BellSouth was obligated to provide Discount with directory assistance access and usage at no additional charge during the

²⁹ Paragraph 9.c. provides: AT&T or MCI shall purchase BellSouth's Message Rate Service at the stated tariff rate, less the wholesale discount. AT&T and MCI must further discount the wholesale Message Rate Service to LifeLine customers with a discount which is no less than the minimum discount that BellSouth now provides.

³⁰ Hearing Transcript, Volume III at 514.

³¹ Paragraph 9.g. provides: AT&T and MCI are responsible for recovering the Subscriber Line Charge from the National Exchange Carriers Association's interstate toll settlement pool, just as BellSouth does today.

³² Hearing Transcript, Volume III at 515-516.

term of the agreement. The Directors concluded that the resale agreement contained two (2) discount rate options – 16% or 21.56% – established by previous Orders of the Authority.³³ Based upon the Authority's Order in Docket Nos. 96-01152 and 96-01271, the costs of directory access and usage are totally avoided in the 21.56% rate.³⁴ Further, the Directors determined that under the 16% discount rate option, BellSouth was obligated to provide access to and usage of directory assistance service. The prospect of BellSouth providing these services served as an inducement for resellers to choose the lesser discount.

Additionally, the Directors determined that prior charges for directory assistance by BellSouth were improper under the terms of the resale agreement, and that BellSouth should refrain from billing Discount for directory assistance services for the remaining term of the resale agreement. Further, the Directors determined that BellSouth should immediately credit Discount's account for all prior directory assistance charges. The Directors voted unanimously that BellSouth should provide directory assistance access and usage for the remaining term of the parties' resale agreement at no additional costs to Discount.³⁵

Regarding Issue No. 2, a majority of the Directors determined that BellSouth's existing Lifeline tariff was valid and enforceable under existing federal and state law and that BellSouth was not required to pass through the state Lifeline credit to Discount. In making this determination, a majority of the Directors considered the compliance of BellSouth's Lifeline tariff with the Authority's orders, FCC orders and the federal Telecommunications Act of 1996.

³³ The 16% discount rate was established by the Authority's avoidable cost proceeding in Docket No. 96-01331. The 21.56% discount rate was established in arbitration proceedings between BellSouth and AT&T (Docket No. 96-01152) and BellSouth and MCI (Docket No. 96-01271).

³⁴ Specifically, the language in the Order for these dockets state, "[T]he Arbitrators also decided to set an additional discount rate for BellSouth retail services of twenty-one and fifty-six one hundredths percent (21.56%) when operator services and directory assistance are not bundled." First Order of Arbitration Awards, Docket Nos. 96-01152 and 96-01271 at 33.

³⁵ Director Greer stated that his decision regarding the directory assistance issue was applicable to this case only and that his decisions regarding such issues would be evaluated on a case by case basis.

In determining whether BellSouth properly credited Discount for service to Lifeline customers under state law, the Directors considered previous orders of the Authority applicable to this docket. Although, pursuant to Tenn. Code Ann. § 65-5-208, Lifeline is categorized as a basic local exchange telephone service of incumbents who apply for price regulation under § 65-5-209, a majority of the Directors concluded that the *First Order of Arbitration Awards* in the BellSouth/AT&T and BellSouth/MCI arbitration proceedings unanimously recognized that Lifeline essentially is an assistance program designed to subsidize the local telephone service of eligible, lower-income consumers.³⁶ In the *First Order of Arbitration Awards*, the Authority required the resale operations of “AT&T and MCI [to] further discount the wholesale Message Rate Service to Lifeline customers with a discount which is no less than the minimum discount that BellSouth now provides [i.e., the state credit amount].”³⁷ The Directors concluded that this earlier unanimous arbitration decision signaled the Authority’s intent that resellers are subject to the general Lifeline policy requiring each carrier to establish its own Lifeline assistance program. The majority also recognized then, as it does now, that this conclusion has the effect of requiring the retail rate of Lifeline to be determined on a *pre-subsidy* basis for resale purposes. Thus, it is the policy of this state that each individual reseller fully fund the state portion of the Lifeline assistance program from the reseller’s internal sources. The Directors further recognized, however, that this policy is an interim one. In the *Interim Order on Phase I of Universal Service*, the Authority found that the state subsidy portion of Lifeline service shall be funded from the intrastate Universal Service Fund once the fund is established and becomes operational.³⁸

Pursuant to the language contained in BellSouth’s Lifeline tariff, “The non-discounted federal Lifeline credit amount will be passed along to resellers ordering local service at the

³⁶ Lifeline subsidies are funded from both state and federal sources.

³⁷ See Paragraph 9.c of First Order of Arbitration Awards, Docket Nos. 96-01152 and 96-01271.

³⁸ See page 43 of Interim Order on Phase I of Universal Service, Docket No. 97-00888.

prescribed resale discount from this Tariff, for their eligible end users. The additional credit to the end user [i.e., the state credit] will be the responsibility of the reseller.”³⁹ Based on the language contained in BellSouth’s tariff, a majority of the Directors determined that BellSouth’s tariff complied with the policy and procedures established in the Authority’s *First Order of Arbitration Awards*.

A majority of the Directors also determined that BellSouth correctly applied its Lifeline tariff according to federal law. Under the Universal Service Order, the FCC did not dictate the methods by which states should administer the state portion of the Lifeline credit.⁴⁰ Additionally, under Paragraph 370 of the FCC’s Universal Service Order, the federal portion of the Lifeline subsidy should be flowed through to resellers of Lifeline service. BellSouth’s resale agreement with Discount provides that “federal baseline support of \$5.25 is available for each Lifeline service and is passed through to the subscriber. An additional \$3.50 state credit is provided by the Company. Supplemental federal support of \$1.75, matching one half of the Company contribution will also be passed along to the Lifeline subscriber. The total Lifeline credit available to an eligible customer in Tennessee is \$10.50. The amount of the credit will not exceed the charge for local service.”⁴¹ Pursuant to the language of the parties’ resale agreement, Discount should provide its customers a discount that is not less than the discount provided by BellSouth, which is \$3.50. Additionally, the resale agreement required Discount to provide the state Lifeline credit to its customers.

³⁹ BellSouth’s Lifeline tariff, GSST A3.31.2.A.8.

⁴⁰ FCC 97-157, Paragraph 361, provides in pertinent part: We do not currently prescribe the methods states must use to generate intrastate Lifeline support, nor does this Order contain any such prescriptions. Many methods exist, including competitively neutral surcharges on all carriers or the use of general revenues that would not place the burden on any single group of carriers. We note, however, that states must meet the requirements of Section 254(c) in providing equitable and non-discriminatory support for state universal service support mechanisms. (Citations omitted).

⁴¹ Resale Agreement, Section 1 C. Description of Service.

Based upon the language of the FCC's Universal Service Order and BellSouth's resale agreement, a majority of the Directors concluded that BellSouth's Lifeline tariff was valid and enforceable under current federal and state law and that BellSouth was correctly applying its Lifeline tariff. The majority further concluded that Discount failed to provide sufficient evidentiary data in support of its contention that BellSouth effectively collects the state subsidy portion of Lifeline twice – once from Discount, because the state Lifeline credit is not flowed through, and once again through an implicit subsidy built into BellSouth's current rates.

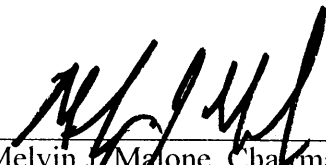
With respect to the Authority's *interim* policy, as discussed above, of requiring resellers to fund the state subsidy portion of Lifeline from internal sources, a majority of the Directors determined that Discount offered no compelling arguments, in this instance, that would necessitate the Authority's premature departure from its carefully considered interim policy. Therefore, a majority of the Directors concluded that BellSouth was not required to flow through the disputed \$3.50 state credit to Discount, but instead that Discount should provide the \$3.50 state Lifeline portion to its customers.

At the conclusion of the deliberations on these two (2) issues, the Directors expressed concern regarding BellSouth's charges to Discount for E911 service and number portability as well as Discount's charges to Lifeline customers for these services. A majority of the Directors determined that the Consumer Services Division should conduct an investigation of these charges by BellSouth and Discount, and submit a report of the findings to the Authority within sixty (60) days.

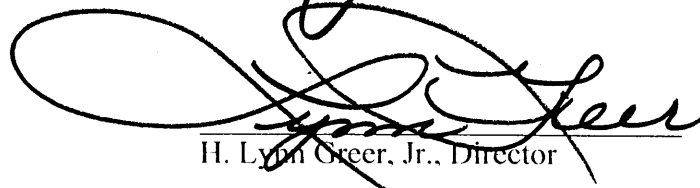
IT IS THEREFORE ORDERED THAT:

1. BellSouth Telecommunications, Inc. should provide Discount Communications, Inc. with directory assistance access and usage during the term of the parties' resale agreement at no additional charge;
2. BellSouth shall immediately credit Discount's account for all directory assistance charges assessed prior to the date of the Authority's decision;
3. BellSouth shall not be required to pass through the \$3.50 state Lifeline credit to Discount because BellSouth's existing Lifeline tariff correctly implements Tennessee's interim policy and is valid and enforceable under existing federal and state law;
4. The Consumer Services Division shall conduct an investigation of the charges from BellSouth to Discount for E911 service and number portability, and the charges from Discount to Lifeline customers for E911 service and number portability. A report of the findings of this investigation shall be submitted to the Authority within sixty (60) days of this decision;
5. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from the date of this Order; and

6. Any party aggrieved with the Authority's decision in this matter has the right of judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from the date of this Order.



Melvin J. Malone, Chairman



H. Lynn Greer, Jr., Director

Sara Kyle, Director

ATTEST:



K. David Waddell, Executive Secretary

*** Director Kyle voted with the majority regarding the directory assistance issue (Issue No. 1), but she did not vote with the majority regarding the Lifeline issue (Issue No. 2). Also, Director Kyle did not vote to initiate an investigation by the Consumer Services Division. Specifically, regarding an investigation of charges for E911 service and number portability, Director Kyle stated, "I just think it's the wrong course to take. I think if we're going to get into this we might as well just cut to the chase and get regulations laid out for Lifeline subsidies..." (June 6, 2000 Authority Conference, Transcript pg. 88.)